



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-883]

Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that the producers/exporters subject to this review made sales of subject merchandise at less than normal value during the period of review (POR), October 1, 2019, through September 30, 2020.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Christopher Williams or Thomas Schauer, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5166 or (202) 482-0410, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 29, 2021, Commerce published the preliminary results of the 2019-2020 administrative review of the antidumping duty order on hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea).<sup>1</sup> This review covers two producer/exporters of the subject merchandise, Hyundai Steel Company (Hyundai Steel) and POSCO.<sup>2</sup> We invited parties to comment on the *Preliminary Results*.<sup>3</sup> On November 29, 2021, we received case briefs from

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<sup>1</sup> See *Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2019– 2020*, 86 FR 59985 (October 29, 2021) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

<sup>2</sup> We initiated this review with respect to POSCO and POSCO Daewoo Corporation. We preliminarily found that POSCO International Corporation (PIC) is the successor-in-interest to POSCO Daewoo Corporation (PDW) and treated POSCO and PIC as a single entity. See Preliminary Decision Memorandum. For the final results, we continue treat POSCO and PIC as a single entity, hereinafter collectively referred to as POSCO. See “Successor-in-Interest Determination” and “Affiliation and Single Entity Treatment” sections of this notice.

<sup>3</sup> See *Preliminary Results*, 86 FR at 59985.

the petitioners<sup>4</sup> and from the mandatory respondents, Hyundai Steel and POSCO.<sup>5</sup> On December 6, 2021, the petitioners, Hyundai Steel, and POSCO submitted rebuttal briefs.<sup>6</sup> Commerce conducted this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act).

### Scope of the Order

The products covered by the *Order*<sup>7</sup> are hot-rolled steel. A full description of the scope of the *Order* is contained in the Issues and Decision Memorandum.<sup>8</sup>

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs that were submitted by parties in this administrative review are addressed in the Issues and Decision Memorandum and are listed in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Successor-in-Interest Determination

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<sup>4</sup> See Petitioners' Letter, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Petitioners' Case Brief," dated November 29, 2021. The petitioners are SSAB Enterprises, LLC, and Steel Dynamics, Inc. (collectively, the petitioners).

<sup>5</sup> See Hyundai Steel's Letter, "Certain Hot-Rolled Steel Flat Products from Korea, 10/01/2019-9/30/2020 Administrative Review, Case No. A-580-883: Hyundai Steel's Case Brief" dated November 29, 2021; and POSCO's Letter, "Hot-Rolled Steel Flat Products from the Republic of Korea – POSCO's Case Brief," dated November 29, 2021.

<sup>6</sup> See Petitioners' Letter, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Petitioners' Rebuttal Brief," dated December 6, 2021; *see also* Hyundai Steel's Letter, "Certain Hot-Rolled Steel Flat Products from Korea, 10/01/2019-9/30/2020 Administrative Review, Case No. A-580-883: Hyundai Steel's Case Brief"; and POSCO's Letter, "Hot-Rolled Steel Flat Products from the Republic of Korea – POSCO's Rebuttal Brief," both dated December 6, 2021.

<sup>7</sup> See *Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Australia, the Republic of Korea, and the Republic of Turkey and Antidumping Duty Orders*, 81 FR 67962 (October 3, 2016) (*Order*).

<sup>8</sup> See Memorandum, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Issues and Decision Memorandum for the Final Results of Antidumping Duty Administrative Review; 2019–2020," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

We preliminarily found that PIC is the successor in interest to PDW for purposes of determining AD duty cash deposits and liabilities on the subject merchandise and the current cash deposit rate assigned to PDW should be the cash deposit rate for PIC as a result of our successor-in-interest finding.<sup>9</sup> Since the *Preliminary Results*, no interested party commented on our preliminary finding. Accordingly, we continue to find that PIC is the successor-in-interest to PDW.

#### Affiliation and Single Entity Treatment

We preliminarily found that POSCO and PIC are affiliated and should be treated as a single entity pursuant to 19 CFR 351.401(f).<sup>10</sup> Since the *Preliminary Results*, no interested party commented on this preliminary finding. Accordingly, we continue to find that POSCO and PIC should be treated as a single entity.

#### Changes Since the Preliminary Results

Based on the comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the Issues and Decision Memorandum, we made certain changes for the final results of review.

#### Final Results of Review

We determine that the following weighted-average dumping margins exist for the period October 1, 2019, through September 30, 2020.

<b>Producer/Exporter</b>	<b>Weighted-Average Dumping Margin (Percent)</b>
Hyundai Steel Company	3.62
POSCO; POSCO International Corporation	1.57

#### **Review-Specific Average Rate Applicable to the Following Companies<sup>11</sup>**

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<sup>9</sup> See *Preliminary Results* PDM at 6.

<sup>10</sup> See *Preliminary Results* PDM at 8.

<sup>11</sup> This rate was calculated by weight-averaging the margins calculated for the individually examined respondents. For more information regarding the calculation of this margin, see Memorandum, “Final Results of Antidumping

Exporter/Producer	Average Dumping Margin (percent)
Dongkuk Industries Co., Ltd.	2.95
Dongkuk Steel Mill Co., Ltd.	2.95
KG Dongbu Steel Co., Ltd.	2.95
Marubeni-Itochu Steel Korea, Ltd.	2.95
Snp Ltd.	2.95
Soon Hong Trading Co.	2.95
Sungjin Co., Ltd.	2.95

#### Disclosure

We intend to disclose the calculations performed in connection with these final results to parties in this proceeding within five days after public announcement of the final results or, if there is no public announcement, within five days of the date of publication of the notice of final results in the *Federal Register*, in accordance with 19 CFR 351.224(b).

#### Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(1), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

For Hyundai Steel and POSCO we calculated importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for each importer's examined sales and the total entered value of those sales in accordance with 19 CFR 351.212(b)(1).<sup>12</sup> Where an

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Duty Administrative Review of Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Calculation of the Margin for Non-Examined Companies," dated concurrently with this notice. As the weighting factor, we relied on the publicly ranged sales data reported in the quantity and value charts submitted by Hyundai Steel and POSCO.

<sup>12</sup> In these final results, Commerce applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012).

importer-specific assessment rate is *de minimis* (i.e., less than 0.5 percent), the entries by that importer will be liquidated without regard to antidumping duties.

For entries of subject merchandise during the POR produced by either of the individually examined respondents for which it did not know that its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

For the companies identified above that were not selected for individual examination, we will instruct CBP to liquidate entries at the rates established in these final results of review.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (i.e., within 90 days of publication).

#### Cash Deposit Requirements

Upon publication of this notice in the *Federal Register*, the following cash deposit requirements will be effective for all shipments of hot-rolled steel entered, or withdrawn from warehouse, for consumption on or after the date of publication as provided by section 751(a)(2) of the Act: (1) the cash deposit rates for the companies subject to this review will be equal to the weighted-average dumping margin established in the final results of the review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior completed segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published in the completed segment for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation but the producer has been covered in a prior completed segment of this proceeding, then the cash deposit rate will be the rate established in the completed segment for the most recent period for the producer of the merchandise; (4) the cash deposit rate for all other producers or exporters will continue to be

6.05 percent, the all-others rate established in the less-than-fair-value investigation for this proceeding.<sup>13</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

#### Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

#### Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i) of the Act, and 19 CFR 351.221(b)(5).

Dated: February 28, 2022.

Lisa W. Wang,  
Assistant Secretary  
for Enforcement and Compliance.

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<sup>13</sup> See *Order*, 81 FR at 67963, 67965.

## **Appendix**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Changes Since the Preliminary Results
- V. Discussion of the Issues
  - Comment 1: Particular Market Situation (PMS)
  - Comment 2: Cost Smoothing
  - Comment 3: Hyundai Steel's Constructed Export Price (CEP) Offset
  - Comment 4: Affiliated-Party Inputs Regarding POSCO and Hyundai Steel
  - Comment 5: Hyundai Steel's Affiliated Party Input Adjustment
  - Comment 6: POSCO's Freight Revenue
  - Comment 7: POSCO's U.S. Indirect Selling Expenses (ISEs)
- VI. Recommendation

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